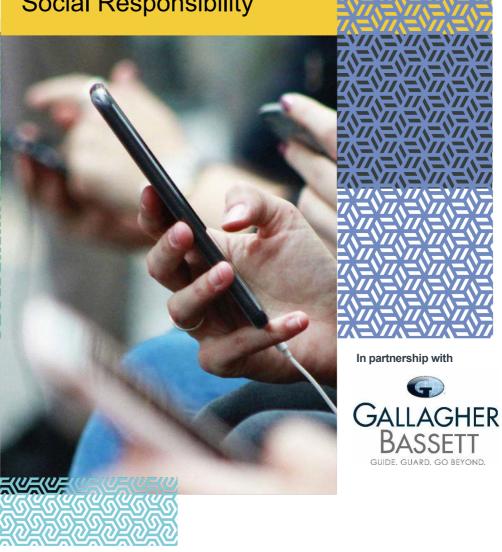
# rmp

**Risk control** Social Media and Social Responsibility





Risk Management Partners rmpartners.co.uk

# Social Media and Social Responsibility

# Introduction

The Facebook data management and privacy accusation that implicated and ultimately led to the insolvency of the data analytical firm Cambridge Analytica in 2018<sup>1</sup> highlighted yet another aspect of the cyber risk phenomenon that has become part of everyday life for most people: the need and desire to protect personal privacy in an age in which personal information is a valued and tradeable commodity.

The magnitude of the rise of social media can be easily demonstrated if we consider the monthly active user statistics of some of the most popular platforms. As of April 2024, the leading social media platforms had amassed monthly active user numbers that can be counted in the billions<sup>2</sup>:

_	Facebook	3.065 billion
—	YouTube	2.504 billion
—	Instagram	2.000 billion

— TikTok 1.582 billion

# The Benefits

Many organisations recognise the benefits of social media and use it as a marketing tool to provide essential information to stakeholders or as a real-time customer interface to improve relationships through efficient and effective direct engagement.

The potential advantages of organisational engagement using social media platforms include greater efficiencies, enhanced brand reputation, real-time interaction and feedback, and reduced costs when compared to more traditional delivery methods.

# The Risks

Many technological advances introduce new risks which need to be managed, and social media as a concept is not excluded from this.

Consequences may have included intervention by the Civil Aviation Authority and reputational damage to the company due to increased fears over passenger safety standards.

Public Sector organisations are not immune from the risks posed by use of social media. For example, in 2021 the Independent Office for Police Conduct (IOPC) issued a warning to officers after becoming concerned with the inappropriate use of social media<sup>3</sup>.

The warning followed a number of investigations into police officers posting or sharing offensive material via social media. In some of the cases cited, officers were either issued final warnings or were charged with gross misconduct, often resigning before their cases were heard.

# **Protecting Reputation**

As we have seen, social media platforms themselves are not the risk in the events cited above, but they do create the opportunity. Human behaviour - the way in which employees use and interact on these platforms can potentially create harm to an organisation. Employees should be made aware of the harm that irresponsible use of social media platforms may cause to organisations so that their behaviours may be positively influenced.

Consider the following:

- 1 Plan
- a) The Organisation

Understand the organisation and its objectives. Does the company embrace social media for gain / brand / reputational enhancement? Does it rely on social media platforms to communicate and gauge the views of its stakeholders?

Failures in managing social media risk can potentially impact upon these objectives.

b) Legislation

Consider the legal implications including, but not limited to, the Human Rights Act 1998<sup>4</sup>, the Regulation of Investigatory Powers Act 2000<sup>5</sup>, the Computer Misuse Act 1990<sup>6</sup>, and the Data Protection Act 2018<sup>7</sup>.

c) Risk Management

Organisations should exercise good governance and risk management practices through the process of risk assessment. This process will create focus upon the threats created through social media / communications strategies and through unauthorised or unmanaged messaging by employees. This will help to identify where the risks will occur, what the magnitude of impact may be, and how these risks can be controlled and mitigated.

d) Employee Engagement:

**Official authorised** – Employees with responsibility for managing, monitoring, and responding to the organisation's social media sites.

**Personal occasional** – Those who use it occasionally as a personal communication tool.

**Personal habitual** – Those who use it habitually for personal purposes during their free time, which may include break times during the working day.

**Personal refrainer** – Those that do not have an account and refuse to interact with any social media

Employees at all levels of the organisational hierarchy can potentially create an adverse event which may impact upon the organisation. Consider which groups of employees would pose the highest threat.

Understand how this may come about and then develop a Social Media Policy and control system:

- Identify what the purpose of the policy is i.e. brand promotion, customer engagement, reputational protection etc. and set out measurable objectives.
- Develop a clear statement on what should and should not be posted on social media, ensuring confidentiality, data protection etc.
- Ensure that there is clear information and guidelines provided to all levels of the organisational hierarchy on the use of organisational and personal social media accounts.
- Ensure the clarity of understanding across all levels of the organisational hierarchy of the potential repercussions associated with the use of social media, including inadvertent brand association and reputational damage.

#### 2 Do

Provide awareness training, guidance, and information for all levels of the organisational hierarchy.

Implement the Social Media Policy and issue associated guidance and ensure all employees understand them and the consequences of failure to adhere to them, including the potential for disciplinary action.

#### 3 Check

Continually monitor the use of social media platforms to ensure standards are being adhered to. Where behaviours fall below expectations and defined standards, learn lessons, and seek improvements through corrective actions.

#### 4 Act

Management should conduct regular reviews of the Social Media Policy, including adherence, to ensure that it continues to be fit for purpose. Social media platforms are evolving and so is the methods of interaction by users – the policy must evolve over time to reflect changes in platforms and behaviours.

# Conclusion

Social media provides easy access platforms for organisations to access potentially large numbers of people quickly and efficiently to improve brand awareness, realtime stakeholder interactions and relationships, customer services, and communications. The benefits can be gained across all industries and sectors.

Many large organisations use social media successfully, recognising employees as brand ambassadors and encouraging them to use social media platforms.

Balancing the potential upsides against the potential downsides is essential in these circumstances.

Common sense and sound judgement may not always be fully relied upon. People do not always behave as they may be expected to. Behaviours are often influenced by contextual issues. Organisations may wish to encourage social media use, but a balance must be struck as they also must ensure that social responsibility is respected and adhered to through compliance with any relevant social media policy. All levels of the organisational hierarchy need to understand their responsibilities when using social media platforms and the potential consequences that they and the organisation are exposed to.

# References

- 1 The Guardian, 2018, The Cambridge Analytica Files, available at: <u>https://www.theguardian.com/news/2018/mar/17/cambridge-</u> analytica-facebook-influence-us-election
- 2 Statista, 2024, Most popular social networks worldwide as of April 2024, ranked by number of active users, available at: <u>https://www.statista.com/statistics/272014/global-socialnetworks-ranked-by-number-of-users/</u>
- 3 IOPC, 2021, IOPC warns officers about inappropriate social media use, available at: <u>https://www.policeconduct.gov.uk/news/iopc-warns-officers-about-inappropriate-social-media-use</u>
- 4 The Human Rights Act 1998, available at: https://www.legislation.gov.uk/ukpga/1998/42/contents
- 5 The Regulation of Investigatory Powers Act 2000, available at: https://www.legislation.gov.uk/ukpga/2000/23/contents
- 6 The Computer Misuse Act 1990, available at: https://www.legislation.gov.uk/ukpga/1990/18/contents
- 7 The Data Protection Act 2018, available at: https://www.legislation.gov.uk/ukpga/2018/12/contents

### **Further information**

For access to further RMP Resources you may find helpful in reducing your organisation's cost of risk, please access the RMP Resources or RMP Articles pages on our website. To join the debate follow us on our LinkedIn page.

#### Get in touch

For more information, please contact your broker, RMP risk control consultant or account director.

contact@rmpartners.co.uk



#### **Risk Management Partners**

The Walbrook Building 25 Walbrook London EC4N 8AW

020 7204 1800 rmpartners.co.uk

This newsletter does not purport to be comprehensive or to give legal advice. While every effort has been made to ensure accuracy, Risk Management Partners cannot be held liable for any errors, omissions or inaccuracies contained within the document. Readers should not act upon (or refrain from acting upon) information in this document without first taking further specialist or professional advice.

Risk Management Partners Limited is authorised and regulated by the Financial Conduct Authority. Registered office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company no. 2989025.